A MEETING OF THE EXECUTIVE COMMITTEE OF THE PUEBLO CITY COUNCIL WILL BE HELD ON May 20, 2019 COMMENCING AT 5:30 P.M. IN THE CITY COUNCIL CHAMBERS, THIRD FLOOR, CITY HALL, ONE CITY HALL PLACE, PUEBLO, COLORADO 81003.

Executive Committee meetings are special meetings of the City Council and are informal Council meetings for the purpose of receiving information and discussion among Council Members; no official action is taken at such meetings. The public is invited to attend, but public comment is generally not received unless otherwise noted.

Individuals requiring special accommodation are requested to please notify the ADA Coordinator of their needs at (719) 553-2295 by noon on the Friday preceding the meeting.

THE AGENDA FOR THE EXECUTIVE COMMITTEE MEETING IS AS FOLLOWS:

**AGENDA**

I. Call To Order And Welcome - Bob Schilling, Work Session Chair

II. Topics

1. **SELF-FUNDING HEALTH INSURANCE (5:30 P.M. - 6:30 P.M.)**
   **PURPOSE:**
   A presentation to City Council from HUB International Limited

   **CALL TO PODIUM**
   Mr. Danny Talley - Senior Vice President/Director Voluntary Benefit-HUB International
   Ms. Shawne Cihak - Vice President, Account Executive, HUB International

   **TIME ALLOCATED:**
   45 Minutes -- Presentation
   15 Minutes -- Questions
SUPPORTING BACKGROUND:
A presentation to City Council from HUB International Limited

Documents:

5-20-19 HUB SELF-FUNDING OVERVIEW.PDF

2. PARKVIEW MEDICAL CENTER PROPOSAL (6:30 P.M. - 6:55 P.M.)
PURPOSE:
Presentation proposal to City Council from Parkview Medical Center

CALL TO PODIUM
Ms. Leslie Barnes, President/CEO - Parkview Medical Center
Mr. Kevin Keilbach, Client Executive - HUB International
Mr. Joe Bower, Legal Counsel - Parkview Medical

TIME ALLOTTED:
15 Minutes--Presentation
10 Minutes--Questions

SUPPORTING BACKGROUND:
Presentation proposal to City Council from Parkview Medical Center

Documents:

5-20-19 PARKVIEW MEDICAL CENTER PROPOSAL.PDF

3. EXECUTIVE SESSION (6:55 P.M. - 7:25 P.M.)
PURPOSE:
For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e); and the following additional details are provided for identification purposes: To instruct negotiators with respect to union negotiations.

CALL TO PODIUM:
Mr. Dan Kogovsek, City Attorney

TIME ALLOTTED:
30 Minute Discussion

SUPPORTING BACKGROUND:
Dan Kogovsek will discuss proposed City contracts and agreements

III. Adjournment
Self-Funding Overview
Funding Comparison

**Fully-Insured**
- Pays predetermined monthly fixed premium
- Premium paid is constant regardless of claim activity
- Insurance carrier takes on all the risk
- Predictable monthly costs
- Lower level of risk
- Simple concept
- Highest fixed costs
- Does not participate in claims (cannot “win”)
- Must pay state taxes & abide by mandates
- Cannot experience cash flow
- Very limited transparency

**Self-Funded**
- Sets aside budget to pay claims
- Pays stop loss premium for catastrophic claims
- Pays Third Party Administrator to adjudicate & pay claims
- Employer takes on some risk
- Potential lower aggregate costs
- Excluded from State taxes & mandates
- Complete transparency (reporting, claims v. premium…etc)
- More cash flow
- Participates in claim experience
- Less predictable costs
- Higher level of risk
- Complication
- Additional compliance obligation
Cost Elements of Self-Funding

Employer

Administration (TPA or ASO)
  - Claims Adjudication
  - Provider Network
  - Other Services

Stop loss Carrier (Insurance)
  - Individual
  - Aggregate

Claims
  - Medical
  - Pharmacy
  - Reserves
Types of Self-Funding

Bundled with Single Carrier vs.

Stop loss Carrier
Network & Others Services
Unbundled
Third Party Administrator
Pharmacy Benefit Manager
Individual Stop loss (ISL)

- Also called “Specific Stop loss”
- Limits the employer’s liability to a set dollar amount per covered individual.
- Employers can select the limit amount. This is known as the deductible.
- The stop loss carrier will reimburse the employer for amounts in excess of the deductible.
Individual Stop loss (ISL) Example

Limits employer’s exposure for any individual catastrophic claim

Claimant 1

Claimant 2

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Stop loss Responsibility
Employer's Responsibility
Aggregate Stop loss (ASL)

- Limits the employer’s total liability to an overall annual amount.

- The stop loss carrier estimates an annual expected claims cost.

- The employer’s maximum liability (Attachment Point) is the expected claims plus an additional risk corridor (i.e., 20-25% more).

- Claims reimbursed under ISL do not count towards the ASL threshold.
Aggregate Stop loss

Limits employer’s exposure for claims not covered by Individual Stop loss (ISL)

- Expected Claim Cost
- Annual Claim Cost Projection
- Risk Corridor
- Employer’s potential additional responsibility

Max Liability
Monthly Claims Example
Self-Funding Renewals

Administration
- 0-4%
- Increase is justified using the Consumer Price Index.

Aggregate Stop Loss
- 0-11%
- Some carrier’s try to justify a “trend” increase.

Individual Stop Loss
- Variable %
- Some carriers’ increases are pooled as “Leveraged Trend” (15-20%).
- Other carriers’ underwrite based on the group’s experience (SL Claims v. Premium).

Claims Funding (Attachment)
- Variable %
- Increase is underwritten based on the group claims experience
Thank You
PARKVIEW
EMERGENCY SERVICES

• Only Level II Emergency Room in Southern Colorado
• 80,000 – 85,000 Visits per Year Between the Two Facilities
• Certified Stroke, Chest Pain and Joint Programs
HELICOPTER ACTIVITY
2018

• Incoming helicopter flights from other facilities 209
• Incoming helicopter flights from the scene 21
• Outgoing helicopter flights 45
• Total flights 275
Existing Helipad Location
Current Transport Path
PROPOSED HELICOPTER PAD

- 50 X 50 Deck
- Most helicopters total length of 36’
- Clearance above the street approximately 25’
- Construction schedule start to finish approximately ten weeks
- Some disruption to traffic on Greenwood
- Pad will include low profile security lighting that is activated by the pilot
PARKVIEW MEDICAL CENTER
HELIPAD - VIEW FROM SOUTH (NEAR 15TH)